

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of Southern California Gas Company (U 904 G) and San Diego Gas and Electric Company (U 902 M) for Authority to Continue Funding of LEV Programs.

Application 02-03-047
(Filed March 25, 2002)

Application of Southern California Edison Company (U 338 E) to Extend the Operation of its Electric Vehicle Adjustment Clause Mechanism and Related Accounts until the Date of the Commission's Final Decision in SCE's Test Year 2003 General Rate Case Proceeding.

Application 02-03-048
(Filed March 25, 2002)

Application of Pacific Gas and Electric Company for Review of and Authorization for Recovery of Costs Relating to its Low Emission Vehicle (LEV) Program for 2002 through 2005 (U 39-E).

Application 02-03-049
(Filed March 25, 2002)

Application of Southern California Gas Company for authority to update its gas revenue requirement and base rates. (U 904 G)

Application 02-12-027
(Filed December 20, 2002)

Application of San Diego Gas & Electric Company for authority to update its gas and electric revenue requirement and base rates. (U 902 M)

Application 02-12-028
(Filed December 20, 2002)

Application of Pacific Gas and Electric Company for Authority, Among Other Things, To Increase Revenue Requirements for Electric and Gas Service and to Increase Rates and Charges for Gas Service Effective on January 1, 2003. (U 39 M)	Application 02-11-017 (Filed November 8, 2002)
Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Service and Facilities of Pacific Gas and Electric Company.	Investigation 03-01-012 (Filed January 16, 2003)
Application of Pacific Gas and Electric Company Pursuant to Resolution E-3770 for Reimbursement of Costs Associated with Delay in Implementation of PG&E's New Customer Information System Caused by the 2002 20/20 Customer Rebate Program. (U 39 E)	Application 02-09-005 (Filed September 6, 2002)
Application of Southern California Edison Company (U 338-E) For Authority to, Among Other Things, Increase Its Authorized Revenues For Electric Service in 2003, And to Reflect That Increase in Rates.	Application 02-05-004 (Filed May 3, 2002)
Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Service and Facilities of Southern California Edison Company.	Investigation 02-06-002 (Filed June 6, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING DENYING PETITION OF ENRG
FOR SUPPLEMENTAL PHASE OF LEV PROCEEDING OR, IN THE
ALTERNATIVE, INSTITUTION OF A NEW PROCEEDING**

This ruling denies the petition of ENRG¹ to open a supplemental phase in the consolidated proceeding related to utility funding of low-emission vehicles (LEV), Application (A.) 02-03-047, A.02-03-048, A.02-03-049 (LEV proceeding) or in the alternative, a new proceeding to address certain issues related to the costs incurred and rates charged for Natural Gas Vehicle (NGV)/LEV service. Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas and Electric Company (SDG&E) and Southern California Gas Company (together, Sempra Energy Utilities) have opposed the petition. Ford Motor Company has submitted a letter in support of the petition to the assigned Commissioner and Administrative Law Judge (ALJ).

ENRG acknowledges that pursuant to the scoping ruling issued in the LEV proceeding,² the Commission will address mandatory LEV program activities,³ which relate to the utility's traditional public service obligations, in each utility's general rate case (GRC) or cost of service proceedings and discretionary LEV program activities, such as customer service, training, research and development

¹ ENRG is a provider of vehicular natural gas (compressed natural gas, and liquefied natural gas) in North America.

² Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge, June 26, 2002.

³ The scoping memo designated the following LEV program activities as mandatory: (1) acquisition of alternative fuel use fleet vehicles pursuant to federal law, (2) operation and maintenance costs associated with use of alternative fuel use fleet vehicles and associated infrastructure, (3) infrastructure (fueling facilities and related equipment) needed to support alternative fuel use fleet vehicles, (4) employee training and instruction necessary for the use of alternative fuel use fleet vehicles, and (5) accounting for the costs of these mandatory activities.

and other “non-mandatory” LEV programs, in the LEV proceeding. However, ENRG claims in its motion that the Commission is not addressing the costs incurred and rates charged for services rendered pursuant to each utility’s LEV program in the LEV proceeding and that addressing these issues in each utility’s GRC or cost of service proceeding is duplicative ENRG also argues that it is expensive for non-utility parties to participate in multiple GRCs or cost of service proceedings.

Although ENRG could have raised these issues in the LEV proceeding, ENRG failed to file a timely motion to intervene or to otherwise participate in the proceeding.⁴

Moreover, the types of issues that ENRG wishes the Commission to address in a second phase of the LEV proceeding or a new proceeding relate to rate design and cost allocation. The Commission has traditionally addressed these issues in utility GRCs, Biannual Cost Allocation Proceedings (BCAPs) or cost of service proceedings, in the context of broader cost allocation and rate design matters as applied to all classes of customers and rates. Opening a second phase of the LEV proceeding or a new proceeding to separately adjudicate these issues as related to LEVs and NGVs would result in an unnecessary expenditure of time and Commission resources and additional expense for the parties.

⁴ ENRG’s one filing in the LEV proceeding was a motion filed on September 10, 2002, after the conclusion of evidentiary hearings in the LEV proceedings, to intervene and file a concurrent reply brief. The ALJ denied this motion as untimely.

Under Commission procedures, ENRG has an adequate opportunity to participate in GRC, BCAP and cost allocation proceedings to raise rate design and cost allocation issues related to LEVs and NGVs, if it wishes to do so.

For all of the above reasons, the motion is denied.

Dated April 29, 2003, at San Francisco, California.

/s/ MYRA J. PRESTIDGE

Myra J. Prestidge
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Denying Petition of ENRG for Supplemental Phase of LEV Proceeding or, in the Alternative, Institution of a New Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated April 29, 2003, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.